

438 Province either for re-shipment to other Southwestern provinces or for local use. The cotton from Hopeh is usually shipped by steamer on the Yangtze River.

Generally speaking, Southwest China is self-sufficient in coal. However, as a safety measure, the region imports some coal from Central-South China.

"State Socialism" is the guiding principle in Chinese Communist industry and trade. During the present transition, state-owned, co-operatives, state-capitalist and private industries co-exist.

A. State-owned Companies

438 The six state-owned domestic trading
655 companies established in 1950 were the China Food Company, the China Textile Company, the China Salt Company, the China General Merchandise Company, the China Coal and Building Material Company, and the China Native Products Company.⁸⁴ All

84. Newspaper Reading Handbook, Hankow, Yangtze Daily, 1950, pp. 422-23.

438 have branches and sub-branches in the major
655 cities of Southwest China. Some companies,
such as the China General Merchandise
Company and the China Native Products Com-
pany, have branches in the rural areas of the
region.⁸⁵ If the trade volume of the country
as a whole in 1950 is given the index number
100, trade volume rose to 397 in 1952. It
is reasonable to assume that the total trade
volume of the Southwest Region made a
proportionate gain in the same year.⁸⁶ The
number of state owned and operated commercial
firms in Communist China increased 45 per
cent in a single year.⁸⁷ In 1954, wholesale
and retail prices of staples in the eight major
cities in the Southwest Region including
Chungking and Kunming, increased only 4
per cent over those reported in the preceding
year.⁸⁸

B. Co-operative Companies

438
474 Supply and marketing co-operatives

85. Yuan-li Wu, An Economic Survey of
Communist China, New York, Bookman
Associates, 1956, p. 380.

86. People's China, Peking, Jan. 16, 1954,
p. 5.

87. Current Background, Hong Kong. U.S.
Consulate General, Sept. 29, 1955, No. 360,
p. 8.

88. Ibid.